REPORT ON EXAMINATION

OF THE

CIGNA WORLDWIDE INSURANCE COMPANY
(Life & Health)
AS OF

DECEMBER 31, 2004

I, Matthew Denn, Insurance Commissioner of the State of Delaware, do hereby certify that the attached REPORT ON EXAMINATION, made as of DECWEMBER 31, 2004 of the

CIGNA WORLDWIDE INSURANCE COMPANY (L&H)

is a true and correct copy of the document filed with this Department.

ATTEST BY: ______________________

DATE: 26 JUNE 2006

In Witness Whereof, I HAVE HEREUNTO SET MY HAND AND AFFIXED THE OFFICIAL SEAL OF THIS DEPARTMENT AT THE CITY OF DOVER, THIS 26TH DAY OF JUNE 2006.

Insurance Commissioner of the State of Delaware

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Insurance Commissioner

REPORT ON EXAMINATION

OF THE

CIGNA WORLDWIDE INSURANCE COMPANY (L&H)

AS OF

December 31, 2004

The above captioned Report was completed by examiners of the Delaware Insurance Department.

Consideration has duly been given to the comments, conclusions, and recommendations of the examiners regarding the status of the Company as reflected in the Report.

This Report is hereby accepted, adopted, and filed as an official record of this Department.

MATTHEW DENN
INSURANCE COMMISSIONER

DATED this 26TH Day of JUNE 2006.

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February 23, 2006

SALUTATION

Honorable Matthew Denn
Insurance Commissioner
State of Delaware, Insurance Department
841 Silver Lake Boulevard
Dover, Delaware 19904
Commissioner:

In compliance with instructions and pursuant to statutory provisions contained in Certificate of Authority No. 05-007, an Association examination has been made of the affairs, financial condition and management of the

CIGNA WORLDWIDE INSURANCE COMPANY

hereinafter referred to as “Company” or “CWWIC”, incorporated under the laws of the State of Delaware as a stock insurance company. The examination was conducted at the main administrative office of the Company, located at 590 Naamans Road, Claymont, Delaware 19703.

The report of such examination of CWWIC’s life operation is submitted herewith. A separate report of examination will be submitted for the Company’s property and casualty operation.

SCOPE OF EXAMINATION

The last examination was conducted as of December 31, 2000. This examination covered the period from January 1, 2001 through December 31, 2004, and consisted of a general survey of the Company’s business policies and practices, management, any corporate matters incident thereto, a verification and evaluation of assets and a determination of liabilities. Transactions subsequent to the latter date were reviewed where deemed necessary.

This report is presented on the exception basis. It is designed to set forth the facts with regard to any material adverse findings disclosed during the examination. The text will explain changes wherever made. If necessary, comments and recommendations have been made in those areas in need of correction or improvement. In such cases, these matters were thoroughly discussed with responsible Company officials during the course of the examination.

The general procedures of the examination followed the rules established by the National Association of Insurance Commissioners' (NAIC) Committee on Financial Condition Examiners Handbook, and generally accepted statutory insurance examination standards.

In addition to items hereinafter incorporated as part of the written report, the following were checked and made part of the workpapers of this examination:

Corporate Insurance
Corporate Records
Conflict of Interest
Legal Actions
All assets and liability items not mentioned

The Company is permitted to write both life and health and property and casualty business. This "dual charter" requires the filing of a separate Annual Statement for each type of business. The life and health and property and casualty operations or "divisions" of the Company were examined concurrently with separate reports being issued for each division.

With regards to the Company's life and health business, the Company maintains significant operations in Hong Kong. For purposes of this examination, the examiners are relying on external audit workpapers prepared by PriceWaterhouseCoopers.

HISTORY

The Company was incorporated on August 10, 1976 under the laws of the State of Delaware as a stock insurance company having perpetual existence. The name of the Company was INA Insurance Company of America. On May 17, 1978, the name of the Company was changed to INA International Insurance Company. The Company commenced operations on May 17, 1979. On August 7, 1984, the current name, CIGNA Worldwide Insurance Company, was adopted.

From inception until December 31, 1995, all of the Company's outstanding common stock was owned by CIGNA Reinsurance Company. Since that date the stock ownership has been transferred three (3) times: on December 31, 1995 it was transferred to INA Corporation; on May 31, 1996 it was transferred to CIGNA International Holdings, LTD; and on July 2, 1999 it was transferred to CIGNA Global Reinsurance Company, Ltd. (Bermuda), the Company's direct parent as of the December 31, 2004 examination date.

All three (3) transfers of CWWIC's common stock were within the same Holding Company System. At no time was the Company's ultimate control maintained outside of the CIGNA Corporation Holding Company System (see "Holding Company System" below).

MANAGEMENT AND CONTROL

The Company's By-laws, as most recently amended on July 15, 1996, state that the business and affairs shall be managed by a Board of Directors consisting of one (1) or more members. The Directors shall be elected at the annual meeting of the stockholders and shall hold office until a successor is elected and qualified. It is not necessary for the Directors to be stockholders.

The following, elected by unanimous vote of the Stockholder, constitutes the Board of Directors as of December 31, 2004:

Name of Director	Principal Business Affiliation
Richard H. Forde	Chief Investment Officer
David S. Scheibe	Treasury Senior Director
Alan L. May	Retired
Terry L. Kendall	President of CIGNA International Expatriate Benefits*
Jean H. Walker	Senior VP and CFO of CIGNA Retirement and Investment Services

* CIGNA International Expatriate Benefits is an operating division within CIGNA Corporation and is not a specific upstream parent of CWWIC.

As provided in the By-laws, the Company maintained two (2) committees of the Board of Directors as of December 31, 2004. As of that date, the following comprised the two (2) committees:

Executive	Investment
David S. Scheibe- Chairman	Richard H. Forde- Chairman
Terry Kendall	Jean H. Walker

The By-laws, as amended, state that the Officers of the Company shall include a President, and a Secretary. The Board of Directors may also appoint a Chairman and a Vice Chairman of the Board and may also choose one or more Vice Presidents, Assistant Secretaries, a Treasurer and one or more Assistant Treasurers.

The following were elected by unanimous vote of the Board of Directors at the meeting held in June 2004, as the key officers of the Company and were serving as such at December 31, 2004:

Officer	Position
David S. Scheibe	President and Treasurer
Susan L. Cooper	Corporate Secretary
Allan R. Santos	Chief Actuary

Johan M. De Jong	Senior Vice President and Chief Counsel
Andrew J. Mellen	Senior Vice President
Jonathan D. Hatch	Vice President and Assistant General Counsel
Joseph J. Urbanski	Vice President and Controller
Gustavo Giraldo	Vice President
Shirley M. Puccino	Vice President
Stephen C. Stachelek	Vice President

HOLDING COMPANY SYSTEM

The Company is a member of an Insurance Holding Company System. The ultimate parent of the system is CIGNA Corporation, a Delaware Corporation. The CIGNA group of companies is a leading provider of insurance and related financial services throughout the United States and around the world. As of December 31, 2004, the ultimate parent reported the following financial data:

Total Assets	$81,059,000,000
Total Revenues 2004	$18,176,000,000
Net Operating Income 2004	$1,438,000,000
Shareholders' Equity	$5,203,000,000

In compliance with Regulation 13 and Chapter 50 of Title 18 of the Delaware Insurance Code, the Insurance Holding Company System Registration Statement was filed with the State of Delaware Insurance Department during each year under review.

The following is an organizational chart, which reflects the identities of the Company, its parents and subsidiaries as of December 31, 2004:

CIGNA Corporation
- CIGNA Investment Group, Inc.
  - CIGNA Global Holdings, Inc.
    - CIGNA Global Reinsurance Company, LTD.
      - **CIGNA WORDWIDE INSURANCE COMPANY**
        - CIGNA Global Insurance Company Limited (Guernsey- 99.9999% interest)
        - PT Asuransi CIGNA (Indonesia- 80% interest)

Schedule Y Part 2 of the Annual Statement is intended for the discloser of various significant intercompany transactions occurring during a given calendar year. The examination revealed that the Company is not disclosing certain intercompany transactions in accordance with the NAIC Annual Statement Instructions. As such;

It is recommended that the Company comply with the NAIC's Annual Statement Instructions and include all applicable transactions with its affiliates on Schedule Y Part 2 on all future statutory financial statements.

MANAGEMENT AND SERVICE AGREEMENTS

The Company participates in the Consolidated Federal Income Tax Return of CIGNA Corporation and its subsidiaries (which includes CWWIC). Federal Income Tax Provisions are calculated as if the Company were filing a separate federal income tax return, except that benefits arising from foreign tax credits and net operating results are allocated to those subsidiaries producing such attributes.

The most recent amendment to the agreement occurred on January 1, 1997). The amendment pertained to timing and the rounding of payments and refunds. The agreement provides for regular and timely settlement of intercompany tax balances.

The Company maintained an intercompany Claims Services Agreement with International Rehabilitation Associates, Inc. (Intracorp). This agreement, which has been in effect since the prior examination period requires Intracorp to provide certain medical review, case management, rehabilitation and auditing services arising out of some of the Company's health care business. The agreement was originally effective July 1, 1995.

The examination review of intercompany transactions uncovered the fact that CWWIC does not maintain any employees. The day-to-day operations of the Company are handled by various employees of CIGNA Corporation. All employees in question work under the CIGNA division heading of “CIGNA International Expatriate Benefits (CIEB domestic administrative operations only). It was uncovered that no intercompany service/management agreement(s) are in place with regards to the day-to-day services provided by any CIGNA companies to CWWIC (this was also noted during the prior examination). This is a violation of Delaware Insurance Code, Section 5005 (a)(2)(d) which states that "all management agreements, service contracts and all cost-sharing arrangements" are to be filed with the Commissioner for review and approval at least 30 days prior to entering into such transactions. Therefore,

It is again recommended that the Company comply with Delaware Insurance Code, Section 5005 (a)(2)(d), and enter into written agreement(s) with all applicable affiliated companies who provide services to CWWIC. It is further recommended that the Company file these agreement(s) with the Delaware Insurance Department for its review in accordance with the Delaware Insurance Code. This agreement should include language which ensures that CWWIC will not owe any amounts applicable to employee services provided prior to the effective date of the new agreement. This should include all employee benefit and related costs

GROWTH OF COMPANY

The following information was obtained from the Company’s filed Annual Statements:

Year	Admitted Assets (excld. Sepr. Accts)	Separate Accounts Assets	Net Admitted Assets	Capital & Surplus	Premiums & Annuities	Net Income
2000	$116,843,163	$122,400,198	$239,243,361	$13,763,342	$129,512,074	$373,964
2001	142,480,851	111,005,512	253,486,363	23,643,952	134,148,678	9,703,343
2002	190,342,857	122,617,710	312,960,567	35,124,253	137,257,279	14,428,487
2003	239,961,036	165,707,497	405,668,533	49,336,962	151,756,651	16,609,033
2004	258,475,749	199,856,338	458,332,087	48,358,886	149,559,699	11,407,795

The growth of the Company during the examination period (1/1/01 -12/31/04) has taken the form of the following:

- A $141,632,586 or 121.2% increase in General Account Assets (Admitted Assets excluding Separate Accounts)
- A $77,456,140 or 63.3% increase in Separate Account Assets
- A $34,595,544 or 251.4% increase in Capital and Surplus
- A $20,047,625 or 15.5% increase in Premiums and Annuity Considerations
- Combined Net Income for the four (4) year period under review amounted to $52,148,658

Many factors contributed to the Company's growth during the four (4) year period under review such as a $10.3 million decline in commissions incurred from 2000 to 2001; a $7.9 million decline in net transfers to separate accounts from 2000 to 2001; a $10.7 million decline in surrender benefits and withdrawals for life contracts from 2001 to 2002; and a $14.5 million increase in premiums and annuity considerations for life and accident and health contracts from 2002 to 2003. In 2001, 2002 and 2003, the Company did not pay stockholder dividends. This allowed gains from operations to remain in the Company and was the most prominent reason for the increase in Capital and Surplus.

TERRITORY AND PLAN OF OPERATION

Territory

The Company is only licensed domestically in the State of Delaware and internationally in Hong Kong. The Company is permitted to write both Life & Health and Property & Casualty business. This "dual charter" requires the filing of separate Annual Statements for each type of business.

The specific lines the Company is authorized to write in the State of Delaware are as follows:

Life, including annuities

Variable Annuities
Credit Life
Health
Credit Health
Property
Surety
Marine and Transportation
Casualty, including:
- -Vehicle
- -Liability
- -Burglary and Theft
- -Personal Property Floater
- -Glass
- -Boiler and Machinery
- -Credit
- -Workmens' Compensation and Employers' Liability
- -Leakage and Fire Extinguisher Equipment
- -Malpractice
- -Elevator
- -Congenital Defects
- -Livestock
- -Entertainment
- -Miscellaneous

The Company maintains underwriting operations in both Wilmington, DE and in Hong Kong. Net Premiums Written (GPW), Separate Accounts Assets and Total Admitted Assets for the two (2) divisions of the Company as of December 31, 2004 are as follows (in millions):

	Hong Kong	**Wilmington**	**Total**
NPW	$110.1**	$39.5	$149.6
Separate Accts	$199.9	$0.0	$199.9
Admitted. Assets	$407.0	$51.3	$458.3

**** = Includes $30,444,567 of Net premiums and annuity considerations transferred to Separate Accounts**.

Net Premiums Written (NPW) by line of business by the Company during 2004 are as follows, with a comparison to 2000 (the prior examination date):

	2000	2004	Change
Ordinary- Life	$90,735,816	$93,657,655	3.2%
Individual Annuities	0	(237,647)	n/a
Group- Life	2,725,299	5,204,347	91.0%
Group- Annuities	2,314,455	0	100.0%
A&H- Group	25,425,023	38,652,976	52.0%
A&H- Other- Direct	8,311,481	12,282,368	47.8%
Total Net Premiums	$129,512,074	$149,559,699	15.5%

Plan of Operation

Domestically, the Company's main book of business is Small Group Business consisting of about three (3) to nine (9) lives per policy, virtually all of which are "expatriates" (U.S. citizens working outside the U.S.).

Most of CWWIC's larger policies, which were in effect during the prior examination period, were non-renewed and/or outright transferred to Connecticut General Life Insurance Company (CG, an affiliated company with operations in Wilmington and elsewhere). The Company decided to shift this business to CG, due to regulatory issues surrounding dependants of insured expatriates who were obtaining care in states in which CWWIC was not licensed. When CG, which is licensed in all 50 states, took over this business, the regulatory concerns in question were alleviated.

Currently, the Company has no specific business plan with regards to acquiring new business or running off existing business as it pertains to CWWIC's domestic operations. CWWIC is part of an operating division of CIGNA Corp. known as CIEB or CIGNA International Expatriate Benefits. Run primarily out of CIGNA's Wilmington, Delaware offices, CIEB's primary underwriter is Connecticut General Life Insurance Company, with CWWIC underwriting a very small number of the policies taken on by the CIEB operating division.

CIGNA International has several sales offices throughout the US that it utilizes to underwrite its expatriate business. CIEB anticipates moderate premium growth consistent with corporate underwriting capacity. The Company does not anticipate that the CIEB operating plan will directly affect the operations of CWWIC in a significant way as the Company continues to have reduced participation in CIEB's underwriting agenda given its limited underwriting capability (CWWIC is only licensed in Delaware).

With regards to the Company's Hong Kong operations, the premiums are primarily generated through the use of a General Agency System. The Company began using this system during 2001. Previously the Company was utilizing multiple independent (contracted) agents/agencies.

For 2004, the Company's gain from operations was generated on an approximately 50-50 basis by the domestic and Hong Kong operations.

Subsequent Event: The CIGNA Group has created two (2) new insurance companies domiciled in Hong Kong. It is CIGNA's intention to transfer all of CWWIC's Hong Kong business to the new insurance companies domiciled in Hong Kong. As of the date of the writing of this Report, the Company had obtained the necessary approvals from the Delaware Insurance Department pertaining to the applicable Transfer and Assumption Agreements but had not yet physically transferred the business off of CWWIC's books. The two (2) companies in question are CIGNA Worldwide Life Insurance Company Limited and CIGNA Worldwide Insurance Company Limited. The approval of the Transfer and Assumption agreements was obtained on July 7, 2005.

Subsequent to the transfer of the applicable business CWWIC will no longer have any underwriting interests within Hong Kong. The new Hong Kong domiciled companies will be affiliates of CWWIC but will not be its subsidiaries.

REINSURANCE

The Company's total premiums and annuity considerations are as follows:

Direct	$150,113,925
Assumed	14,559,196
Gross	$164,673,121
Ceded	15,113,422
Net	$149,559,699

Assumed Premiums Written amounted to 8.8% of Gross Premiums Written, most of this applicable to Group Accident & Health Insurance. Subsequently, the Company ceded approximately 9.2% of its Gross Premiums Written with most of these cessions being applicable to Ordinary Life Insurance and Group Accident and Health Insurance.

With regards to assumed reinsurance, it was noted that approximately 95.2% was assumed from Colonial Medical Insurance Company as part of a fronting arrangement that has been in effect for several years (see below).

ASSUMED REINSURANCE

Colonial Medical Insurance Company, Ltd

Effective May 1, 1996, the Company entered into a Reinsurance Agreement with Colonial Medical Insurance Company Limited (Colonial Medical), a Bermuda Company. Simultaneously, the Company entered into an Administrative Services Agreement with Colonial Medical. Per the agreements, Colonial Medical operates as a front to insure certain key local nationals in the multinational employee benefits insurance market. Colonial Medical cedes 100% of all policy risks (group Life and group A and H) minus any mandated retentions to CWWIC, who administers the policies in question as if it were the direct insurer. Assumed premiums generated from the agreement during 2004 were $13,857,052 (for both Life and A and H), which is up from $8,080,156 as of the December 31, 2000 examination date. As previously noted, this accounted for approximately 95.2% of total assumed premiums during 2004. NOTE: All remaining assumed business (4.8%) was generated from the Company's Hong Kong operations.

CEDED REINSURANCE

Affiliated

The Company maintained three (3) ceded reinsurance agreements with its affiliate, CIGNA Global Reinsurance Company (CGRC). Total Life and A and H premiums ceded to CGRC during 2004 amounted to $9,288,842 or 61.5% of total ceded premiums written. In addition, the amount of ceded reinsurance in force as of December 31, 2004 amounted to approximately $3.1 billion or 91.7% of total ceded in force at December 31, 2004. A summary of the ceded agreements with CGRC follows:

Group Life (including any Individual Life Policies)

CWWIC cedes $800,000 to CGRC after retention of $200,000 is applied, per life, applicable to the Individual and Group Life business underwritten by CWWIC. The risk reinsured under this agreement is the mortality risk only.

Life Catastrophe

CWWIC maintains a Life and Accident Catastrophe Treaty with CGRC. The business covered is personal accident (including personal accident rider); individual life and group life insurance business. CWWIC retains the first $5,000,000 of the ultimate net loss arising out of each and every accident occurring during the term of the agreement. CGRC indemnifies CWWIC 100% for all applicable losses in excess of the retention but the sum recoverable under this agreement is not to exceed $25,000,000 for each and every accident occurrence. Full reinstatement is provided for with a payment of 100% additional premium.

Personal Accident

CWWIC maintains a Personal Accident Reinsurance treaty with CGRC, by which the Company cedes 100% of its Personal Accident Business to CGRC. The Company retains $350,000 of the ultimate net loss per person arising out of each and every accident occurring during the term of the agreement. Subsequent to retention amount, CGRC assumes up to $650,000 on each life, each loss. The agreement is automatically reinstated several times; however, the maximum amount recoverable in any one year (the Annual Aggregate Limit) is $5,200,000.

Unaffiliated

Group Long Term Disability

The Company maintains quota share coverage pertaining to its Group Long Term Disability business. The agreement also contains a Stop Loss provision applicable to the same business. The treaty is handled by Integrated Disability Resources, Inc. acting as managing agent for American Disability Reinsurance Underwriters Syndicate (ADRUS). Under the quota share cession the Company ceded 20% of the applicable business, thereby retaining 80%. Under the Stop Loss cession the Company retains the 80% from the quota share agreement for the first 90 months. Subsequent to 90 months ADRUS assumes 100%. The Company ceded approximately $2.67 million to ADRUS in 2004 and the reserve credit taken during 2004 amounted to approximately $6.75 million or 43.2% of the total 2004 reserve credit taken (both Life and A&H business).

Major Medical Excess of Loss

Effective January 1, 2004, a Major Medical Expense Specific Excess of Loss Reinsurance Agreement was entered into with Folksamerica Reinsurance Company (FRC) whereby CWWIC (and its affiliate Connecticut General) cede 100% of benefits paid or payable to any one (1) insured in excess of the Company's retention of $250,000 of covered medical expenses by an insured person during any one (1) calendar year. The maximum reinsurance coverage payable under this agreement is equal to the covered groups' lifetime maximum per the original policy as written by CWWIC. War Risk coverage is limited to $1.5 million subsequent to the $250,000 retention. The Company ceded approximately $1.45 million to FRC in 2004 and the reserve credit taken during 2004 amounted to approximately $7.83 million or 50.2% of the total 2004 reserve credit taken (both Life and A&H business). NOTE: Prior to 1/1/2004 this business was ceded to American United Life Insurance Company.

Annuities

The Company is party to a reinsurance agreement with Highland Assurance, Inc. (Highland). The agreement has been in effect for several examination periods. Per the agreement, "obligations of the reinsurer hereunder shall include all obligations of the Ceding Company (CWWIC) under the policies that are reinsured hereunder". A Trust Agreement has been established to the benefit of CWWIC (see "Reinsurance in Unauthorized Companies" for the review of the Trust Agreement). This agreement is essentially a fronting arrangement with CWWIC serving as the fronting company. CWWIC directly writes the annuities and then cedes 100% of the liability and premium (less an administrative fee) to Highland. Schedule S of the Annual Statement is utilized for the reporting of assumed and ceded reinsurance maintained by the Company and the results of the related transactions during the year. The examination of Schedule S revealed that in certain instances the Company reported the incorrect names of its reinsurers. Further, CWWIC maintained a significant trust account applicable to annuity business ceded to Highland Insurance Company (Highland). Both CWWIC and CG ceded annuity business to Highland and both CWWIC and CG are secured by the same trust account. The funds held in the account were sufficient to cover the business ceded by either CWWIC or CG but sufficient to cover both companies. As both CWWIC and CG are taking reserve credits based on the funds held in the trust account the following recommendation is made;

It is recommended that the Company appropriately report the correct reinsurers on Schedule S on all future statutory financial statements. It is further recommended that the trust accounts applicable to these reinsurers maintain funds at least equal to the reserve credit taken, and that the trust fund be segregated so that the funds applicable to the Company are maintained separately from those related to business ceded to any of the Company's affiliates.

Subsequent Note: Prior to the release of this Report the Company increased the funds in the trust account discussed above to the point where the combined reserve credit of CWWIC and CG is now secured. The funds have still not been segregated on a company by company basis.

ACCOUNTS AND RECORDS

The examiners reviewed the accounts and records of the Company. This included a reconciliation of the Trial Balance to the Annual Statement and reviews of certain examination questionnaires; internal audit reports; claim, premium, accounting, and other operational and organizational processing flow charts along with a review of applicable external audit workpapers.

With regards to the external audit workpapers, PriceWaterhouseCoopers (PWC) reviewed the accounts and records of the Company including reviews of both the Company's domestic and Hong Kong operations. PWC issued a report based on their review of both the domestic operations and the Hong Kong operations. Though the report noted no significant concerns, the examiners were refused access to the workpapers applicable to their review of the Hong Kong operations. As the Hong Kong operations made up approximately 85% of the Company's underwriting operations as of the December 31, 2004 examination date, the examiners contracted with Jefferson Wells International (JWI) to perform an on-site review of the Company's Hong Kong operations. JWI's review of the Hong Kong Accounts and Records did not note any material concerns.

Delaware Regulation 301, Section 13.2 requires Delaware domestic companies to retain independent auditors that will provide the Insurance Department with access to their workpapers. As the Company has not complied with this regulation the following recommendation is noted:

It is recommended that the Company comply with Delaware Insurance Regulation 301, Section 13.2 and obtain an independent auditor that will provide the Delaware Insurance Department with all requested workpapers relating to all of their future annual audits of the Company.

The Company's Escheat Policy is in compliance with the applicable Delaware Statutes, Title 12, Chapter11, Subtitle IV regarding escheats. However, in several instances no escheat filing was made in accordance with Delaware Related Law 12. In addition, the prior Report on Examination contained a recommendation that the Company comply with this law. As the Company has not complied with this recommendation and there is still a violation of Delaware Related Law 12;

It is again recommended that the Company comply with Delaware Related Law 12, Section 1199, which states that an Annual Report shall be filed with the State Escheator on or before March 1 of each year.

The Company was unable to provide a detailed inventory supporting the year-end reported balance for the liability item, Commissions to Agents Due or Accrued. Therefore;

It is recommended that the Company maintain a detailed inventory supporting the reported balance of Commissions to Agents Due or Accrued for all future statutory financial statements.

The Company reported a significant balance for the account Remittances and Items Not Allocated. While the bulk of the balances could be substantiated, the examination noted a significant number of an old suspense balances that have been on the Company's books for years. The old balances pertain primarily to Unallocated Premium General Ledger Accounts. This concern existed as of the prior examination date and was noted in the prior examination workpapers. As the prior examination recommendation was not completely addressed the following recommendation is made;

It is again recommended that the Company take the proper measures to clear off of its books, old and sometimes unsubstantiated balances included in the Unallocated Premium General Ledger accounts by either writing them off or, if applicable, including them on the Company's annual Escheat filings.

The Company continues to report its intercompany reinsurance balances receivable from or Payable to Parent, Subsidiaries, or Affiliates on the Balance Sheet, which is inconsistent with the NAIC Annual Statement Instructions. The recommendation that was included in the prior Report on Examination is again stated here;

> **It is again recommended that the Company comply with the NAIC's Annual Statement Instructions and discontinue its practice of reporting intercompany reinsurance balances in Receivable from or Payable to Parent, Subsidiaries, or Affiliates. As noted by the NAIC, these balances should be reported on the applicable reinsurance accounts included on the Balance Sheet.**

FINANCIAL STATEMENTS

The following statements show the assets, liabilities, surplus and other funds of the Company, as determined by this examination, as of December 31, 2004.

Analysis of Assets
Liabilities, Surplus and Other Funds
Summary of Operations
Capital and Surplus Account
Examination and Surplus Changes

It should be noted that the various schedules and exhibits may not add to the totals shown due to rounding. With the exception of the Bonds and Common Stocks account and the Aggregate Reserve on Life Policies and Contracts account, write-ups on the individual accounts in the Notes to the Financial Statements section of this report are presented on the "exception basis". Only comments relative to adverse findings, material financial changes, or other significant regulatory concerns are noted.

Analysis of Assets
December 31, 2004

	Ledger Assets	Non- Admitted Assets	Examination Changes	Net Admitted Assets	Note
Bonds	$225,196,955	$0	$0	$225,196,955	1
Common stocks	7,187,252	0	(1,531,266)	5,655,986	2
Cash and Short-Term Investments	9,240,611	0	0	9,240,611	
Investment Income Due and Accrued	3,379,523	0	0	3,379,523	
Current Federal Income Tax Recoverable	0	0	2,658,690	2,658,690	3
Net Deferred Tax Asset	1,397,155	0		1,397,155	
Uncollected Premiums and Agents' Balances in the Course of Collection	4,538,856	(551,220)	0	3,987,636	
Amounts Recoverable from Reinsurers	2,438,072	(654,304)	0	1,783,768	
Receivable from Parent, Subsidiaries and Affiliates	1,350,056	(355,227)	0	994,829	
Amounts Receivable relating to Uninsured Accident and Health Plans	(3,188)	(5,369)	0	(8,557)	
Other Assets Non-Admitted	737,010	(737,010)	0	0	
Aggregate Write-Ins for other than Invested Assets	8,432,497	(3,115,920)	0	5,316,577	
Total Assets (excluding Separate Accounts)	263,894,799	(5,419,050)	1,127,424	259,603,173	
From Separate Accounts Statement	199,856,338	0	0	199,856,338	4
Total Assets	$463,751,137	($5,419,050)	$1,127,424	$459,459,511	

Liabilities, Capital, Surplus and Other Funds
December 31, 2004

		Note
Aggregate reserve for life policies and contracts	$ 153,762,172	5
Aggregate reserve for accident and health policies	9,495,306	
Policy and contract claims: Life	2,858,001	6
Policy and contract claims: Accident & Health	12,222,477	6
Surrender Values on Canceled Contracts	215,723	
Provision for experience rating refunds	1,197,219	
Other Amounts Payable on Reinsurance	2,796,482	
Interest Maintenance Reserve	947,520	
Commissions to agents due or accrued	899,796	
General expenses due or accrued	3,724,614	
Transfers to Separate Accounts due or accrued	2,460,458	
Taxes, licenses and fees due or accrued	3,028	
Current Federal Income Taxes Payable	0	3
Remittances and items not allocated	9,405,483	
Asset valuation reserve	2,236,122	
Reinsurance in unauthorized companies	1,033,153	
Payable to parent, subsidiaries and affiliates	3,162,275	
Aggregate Write-Ins for Liabilities	6,355,724	
Total Liabilities (excluding Separate Accounts)	$ 212,775,553	
From Separate Accounts Statement	$ 199,856,338	4
Total Liabilities	$ 412,631,891	
Common capital stock	$ 2,500,000	
Gross paid in and contributed surplus	4,000,500	
Unassigned funds (surplus)	40,327,120	
Total Capital and Surplus	$ 46,827,620	
Total Liabilities, Surplus and Other Funds	$459,459,511	

Statement of Income
December 31, 2004

Income:		
Premiums and annuity considerations	$ 149,559,699	
Net investment income	9,781,710	
Amortization of interest maintenance reserve	329,611	
Commissions and expense allowances on reinsurance ceded	1,823,103	
Income from fees associated with investment management, administration, and contract guarantees from Separate Accounts	2,745,041	
Aggregate write-ins for miscellaneous income	2,534,240	
Total Income		$ 166,773,404
Expenses:		
Death benefits	4,431,334	
Matured endowments	2,157,580	
Annuity benefits	124,584	
Disability benefits and benefits under accident and health policies	26,435,683	
Surrender benefits and other fund withdrawals	25,761,493	
Increase in aggregate reserves for life policies and contracts	36,025,954	
Commissions on premiums and annuity considerations	16,630,804	
Commissions and expense allowance on reinsurance assumed	1,573,262	
General insurance expenses	29,334,101	
Insurance taxes, licenses and fees excluding. federal income tax	73,617	
Increase in loading on deferred and uncollected premiums	(197,786)	
Net transfers to (from) Separate Accounts	10,675,215	
Aggregate write-ins for deductions	500,200	
Total Expenses		$153,526,041
Net gain from operations before dividends to policyholders and federal income taxes		13,247,363
Dividends to policyholders		0
Net gain from operations after dividends to policyholders and before federal income taxes		13,247,363
Federal income taxes incurred		1,839,568
Net gain from operations after dividends to policyholders and federal income taxes and before realized capital gains		11,407,795
Net realized capital gains less capital gains tax		0
Net Income		$11,407,795

Capital and Surplus Account
December 31, 2003_to December 31, 2004

Capital and Surplus, December 31, 2003		$ 49,336,964
Net Income		11,407,795
Additions:		
Change in net unrealized capital gains	$2,319,348	
Change in net deferred income tax	1,274,327	
Change in liability for reinsurance in unauthorized companies	1,372,932	
Total Additions		4,966,607
Deductions:		
Change in Asset Valuation Reserve	(458,298)	
Dividends to Shareholders	(12,000,000)	
Change in non-admitted assets (Company adjustment)	(4,894,182)	
Change in non-admitted assets (examination adjustment)	(1,531,266)	
Total Deductions		(18,883,746)
Capital and Surplus, December 31, 2004		$46,827,620

Schedule of Examination Adjustments

Assets	Per Examiners	Per Company	Surplus Increase (Decrease)
Common Stocks (affiliated)	$5,655,986	$7,187,252	$(1,531,266)
Current Federal Income Taxes Recoverable	2,658,690	0	2,658,690
Liabilities, Surplus and Other Funds			
Current Federal Income Taxes Payable	0	(2,658,690)	(2,658,690)
Net Change in Surplus per Examination			$(1,531,266)
Capital and Surplus per Company			$48,358,886
Capital and Surplus per Examination			$46,827,620

NOTES TO THE FINANCIAL STATEMENTS

Note #1

Bonds **$225,196,955**

Procedures were performed to confirm the existence and ownership of the investments reported in Schedule D, Part 1. These procedures were performed without exception. The Company primarily invests in bonds that are rated “1” or “2” by the SVO, with maturity dates consistent with the Company expected reserve payout.

During the review of the Company’s Global Custodial Agreements with the Company's custodians: Citibank and JP Morgan, it was noted that neither of these agreements contain language pertaining to the custodians’ liability to the Company in conjunction with the NAIC Indemnification Clause was not included. The NAIC Indemnification Clause is stated as follows: "The bank or trust company as custodian is obligated to indemnify the insurance company for any loss of securities of the insurance company in the bank or trust company's custody occasioned by the negligence or dishonesty of the bank or trust company's officers or employees, or burglary, robbery, holdup, theft, or mysterious disappearance, including loss by damage or destructions. In the event that there is a loss of the securities for which the bank or trust company is obligated to indemnify the insurance company, the securities shall be promptly replaced or the value of the securities and the value of any loss of rights or privileges resulting from said loss of securities shall be replaced." As this language was not included in the Global Custodial Agreements, the following recommendation is made:

It is recommended that the Company amend its Global Custody Agreements to included language substantially similar to the NAIC's indemnification clause.

Note# 2

Common Stocks	**$5,655,986**

The above-captioned amount is ($1,531,266) less than the amount reported by the Company on its 2004 Annual Statement. The entire balance of Common Stock as reported by the Company consisted of two (2) subsidiaries owned by CWWIC as of December 31, 2004. During the review of the Company's subsidiary investments a couple concerns in investments were uncovered. The net equity reported in the independent audit report for PT Asuransi CIGNA (Indonesia) of which the Company holds an 80% interest, did not support the net equity reported by the Company on Schedule D Part 2 Section 2. The difference of $(1,531,266) is the difference noted above. Additionally, the Company was unable to provide an independent audit report applicable to CIGNA Global Insurance Company Limited (Guernsey) of which the Company holds a 99.99% interest. The Company provided sufficient documentation to support the reported balance for this subsidiary but did not produce an independent audit report. The following recommendation is noted:

It is recommended that the Company report the audited net equity position in its subsidiaries on all future statutory financial statements, or provide reliable reconciliations between the local audited statutory balance and the reported United States statutory balance. It is further recommended that the Company obtain independent audit reports for all of its subsidiaries on an annual basis.

3. Current Federal Income Taxes Recoverable	**$2,658,690**
3. Current Federal Income Taxes Payable	**$ 0**

The balances reported for Current Federal Income Taxes Recoverable and Current Federal Income Taxes Payable are $2,658,690 more than what was reported on both lines of the

Annual Statement by the Company. As of the December 31, 2004, examination date the Company was due a Federal Income Tax Recoverable in the amount shown above; however, CWWIC reported this recoverable as a contra-liability, which is not consistent with the NAIC Annual Statement Instructions. As such, the examination has reclassified the contra-liability to the appropriate recoverable. This has the effect of increasing both assets and liabilities, with no impact on Capital and Surplus. Additionally, the following recommendation is made:

> **It is recommended that the Company complies with the NAIC Annual Statement Instructions and report its current federal income tax recoverable on the appropriate line of the Balance Sheet on all future statutory financial statements.**

The review of the Company's tax accounts and related settlements uncovered that CWWIC and Connecticut General combine their Federal Income Tax Settlements

> **It is recommended that the Company discontinue its practice of combining Federal Income Tax settlements with those of its affiliates.**

4. Separate Accounts- Assets	**$199,856,338**
4. Separate Accounts- Liabilities	**($199,856,338)**

The above-captioned amounts are accepted as stated by the Company. The Company maintains a significant amount of Separate Account Assets, all of which are attributable to the Company's Hong Kong operations and are in the form of equity securities. The Separate Account Assets equal, the Separate Account Liabilities. The Separate Accounts Assets were confirmed without exception by the examinations third-party CPA firm contracted to perform an on-site review of the Company's Hong Kong operations, Jefferson Wells International.

Note# 5

Aggregate Reserve for Life Policies and Contracts **$153,762,172**

The above captioned amount is the same as that reported by the Company in its 2004 Annual Statement. The reserves as stated by the Company and accepted for the purposes of this examination are broken down by type of benefit as follows:

Category	Gross	Ceded	Net
Life Insurance	$153,460,708	$948,294	$152,512,414
Annuities	8,972,987	7,831,970	1,141,017
Accidental Death Benefits	7,610	0	7,610
Disability – Active Lives	83,906	0	83,906
Disability- Disabled lives	0		0
Miscellaneous	17,225	0	17,225
Totals (Net)	$162,542,436	$8,780,264	$153,762,172

Joe Higgins, FSA, MAAA of INS Consultants, Inc. (INS- the examinations actuarial consultants), analyzed the reserves of the Company. During the Actuarial examination, INS found inconsistencies with reserve calculations for additional life insurance (ALI) coverage included with variable life policies. Therefore;

> **It is recommended that calculation assumptions and methodologies used to calculate reserves for ALI coverage be documented and reserves adjusted accordingly.**

INS also found that for annuity contracts issued in 2004, CWWIC mistakenly used the valuation rate applicable to contracts issued in 2003. Additionally, for one (1) of these contracts CWWIC's reserve calculation assumed the incorrect payment to the surviving annuitant. Therefore;

It is recommended that CWWIC use the correct valuation interest rate for contracts issued in a given year and reflect the correct annuity structure for the applicable contracts.

In order to ensure that the data being utilized by the Company's actuaries and by the third-party actuaries who are performing the actuarial review in conjunction with this examination, the examiners reviewed various policy/loss files. The data reviewed on all files received was accurate; however, one (1) ordinary life file could not be provided by the Company. It is important that all files are provided by the Company when a statistical sample has been selected in order to be able to validate the universe applicable to the selected information. Therefore;

It is recommended that the Company maintain auditable records with regards to its ordinary life policy and reserve files for all future statutory examination.

Note 6

Policy and Contract Claims-Life	**$2,858,001**
Policy and Contract Claims-Accident and Health	**$12,222,477**

The amounts reported above agree with the amounts reported by the Company on their December 31, 2004 Balance Sheet. During their review, INS noted that all claim reserves for the Company's Hong Kong operations were being reported in Exhibit 8 of the Annual Statement. The NAIC accounting procedures call for separating the recognition of future claim payments into claim liabilities and claim reserves. As the Company is not in compliance with the NAIC's accounting procedures the following recommendation is made;

It is recommended that CWWIC allocate total claim reserves and liabilities into the applicable Exhibit 6 and Exhibit 8 components in accordance with NAIC accounting practices

In addition, during INS's review of Schedule H it was determined that Part 3 of Schedule H did not reflect claim reserves or claims paid for the US group LTD (Long-Term Disability) business, which is a function of accident and health insurance. As such;

It is recommended that CWWIC include all accident and health products in Schedule H on all future statutory financial statements.

The examination review noted a deficiency in the Company's preparation of Schedule H of the Annual Statement. Schedule H, which provides a one (1) year run-off or "development" of the claim reserves reported as of the prior year-end, has reflected a redundancy in its reserves for each of the years under review. However, the examination noted that the Company could not support the paid claim amounts reported in Schedule H. Paid claim amounts by incurred year are based on a formula that insures that the prior year's claim reserves will develop a redundancy. A recommendation was noted in the prior Report on Examination addressing the concern noted above. As the Company has not changed the way it prepares Schedule H, it has not complied with the prior examinations recommendation. Therefore,

It is again recommended that the Company develop Schedule H data based on the actual incurred data for future Annual Statements.

COMPLIANCE WITH PRIOR EXAMINATION RECOMMENDATIONS

The Company's compliance with prior examination recommendations was reviewed for each account in the current examination, for which there were prior examination recommendations. All prior examination recommendations were either directly or indirectly addressed in the current examination. On several occasions the Company was not in compliance with the prior examination recommendation, therefore a repeat recommendation was made in this report. Such recommendations begin with the words: "It is again recommended". The

Company's written response to the prior Report on Examination indicated that the Company was going to comply with the prior Report recommendations. As this has not occurred, the following recommendation is made:

> **It is again recommended that the Company appropriately respond to and address the recommendations contained within the Delaware Insurance Departments Report on Examination on this and all future examinations.**

SUMMARY OF RECOMMENDATIONS

1) It is recommended that the Company comply with the NAIC's Annual Statement Instructions and include all applicable transactions with its affiliates on Schedule Y Part 2 on all future statutory financial statements (Page 6- Management and Service Agreements).

2) It is again recommended that the Company comply with Delaware Insurance Code, Section 5005 (a); (2); d, and enter into written agreement(s) with all applicable affiliated companies who provide services to CWWIC. It is further recommended that the Company file these agreement(s) with the Delaware Insurance Department for its review in accordance with the Delaware Insurance Code. This agreement should include language which ensures that CWWIC will not owe any amounts applicable to employee services provided prior to the effective date of the new agreement. This should include all employee benefit and related costs (Page 7- Management and Service Agreements).

3) It is recommended that the Company appropriately report the correct reinsurers on Schedule S on all future statutory financial statements. It is further recommended that the trust accounts applicable to these reinsurers maintain funds at least equal to the reserve credit taken, and that the trust fund be segregated so that the funds applicable to the Company are

maintained separately from those related to business ceded to any of the Company's affiliates (Page 16- Reinsurance).

4) It is recommended that the Company comply with Delaware Insurance Regulation 301, Section 13.2 and obtain an independent auditor that will provide the Delaware Insurance Department with all requested workpapers relating to all of their future annual audits of the Company (Page 17- Accounts & Records).

5) It is again recommended that the Company comply with Delaware Related Law 12, Section 1199, which states that an Annual Report shall be filed with the State Escheator on or before March 1 of each year (Page 18- Accounts & Records).

6) It is recommended that the Company maintain a detailed inventory supporting the reported balance of Commissions to Agents Due or Accrued for all future statutory financial statements (Page 18- Accounts & Records).

7) It is again recommended that the Company take the proper measures to clear off of its books, old and sometimes unsubstantiated balances included in the Unallocated Premium General Ledger accounts by either writing them off or, if applicable, including them on the Company's annual Escheat filings (Page 18- Accounts & Records).

8) It is again recommended that the Company comply with the NAIC's Annual Statement Instructions and discontinue its practice of reporting intercompany reinsurance balances in Receivable from or Payable to Parent, Subsidiaries, or Affiliates. As noted by the NAIC, these balances should be reported on the applicable reinsurance accounts included on the Balance Sheet (Page 19- Accounts & Records).

9) It is recommended that the Company amend its Global Custody Agreements to included language substantially similar to the NAIC's indemnification clause (Page 25- Management & Service Agreements).

10) It is recommended that the Company report the audited net equity position in its subsidiaries on all future statutory financial statements, or provide reliable reconciliations between the local audited statutory balance and the reported United States statutory balance. It is further recommended that the Company obtain independent audit reports for all of its subsidiaries on an annual basis (Page 25- Notes to Financial Statements).

11) It is recommended that the Company complies with the NAIC Annual Statement Instructions and report current federal income tax recoverable on the appropriate line of its Balance Sheet on all future statutory financial statements (Page 26- Notes to Financial Statements).

12) It is recommended that the Company discontinue its practice of combining Federal Income Tax settlements with those of its affiliates (Page 26- Notes to Financial Statements).

13) It is recommended that calculation assumptions and methodologies used to calculate reserves for ALI coverage is documented and reserves adjusted accordingly (Page 27- Notes to Financial Statements).

14) It is recommended that the Company use the correct valuation interest rate for contracts issued in a given year and reflect the correct annuity structure for the applicable contracts (Page 28- Notes to Financial Statements).

15) It is recommended that the Company maintain auditable records with regards to its ordinary life policy and reserve files for all future statutory examinations (Page 28- Notes to Financial Statements).

16) It is recommended that the Company allocate total claim reserves and liabilities into the applicable Exhibit 6 and Exhibit 8 components in accordance with NAIC accounting practices (Page 28- Notes to Financial Statements).

17) It is recommended that the Company include all accident and health products in Schedule H on all future statutory financial statements (Page 29- Notes to Financial Statements).

18) It is again recommended that the Company develop Schedule H data based on the actual incurred data for future Annual Statements (Page 29- Notes to Financial Statements).

19) It is again recommended that the Company appropriately responds to and addresses the recommendations contained within the Delaware Insurance Departments Report on Examination on this and all future examinations (Page 30- Compliance with Prior Examination Recommendations).

SUBSEQUENT EVENTS

Below is a list of the significant events occurring subsequent to the December 31, 2004 examination date:

1) The CIGNA Group has created two (2) new insurance companies domiciled in Hong Kong. The two (2) companies in question are CIGNA Worldwide Life Insurance Company Limited and CIGNA Worldwide Insurance Company Limited. It is CIGNA's intention to transfer all of CWWIC's Hong Kong business to the new insurance companies domiciled in Hong Kong. As of the date of the writing of this Report, the Company had obtained the necessary approvals from the Delaware Insurance Department pertaining to the applicable Transfer and Assumption Agreement, but had not yet physically transferred the business off of CWWIC’s books. The approval of the

Transfer and Assumption agreements was obtained on July 7, 2005. Subsequent to the transfer of the applicable business, CWWIC will no longer have any underwriting interests within Hong Kong. The new Hong Kong domiciled companies will be affiliates of CWWIC, but will not be its subsidiaries.

2) As previously noted the Company maintains a joint property and casualty and life and health license in the State of Delaware. In conjunction with the transfer of business noted above, the Company will relinquish its property and casualty license to the Delaware Department of Insurance. On the financial statements of this report (as part of the Aggregate Write-in for Liabilities), the life “division” of CWWIC has accrued a liability of $4,738,513. When the Company’s property and casualty license is surrendered, this liability will be written down, thereby increasing the Company’s Capital and Surplus by $4,738,513.

SUMMARY COMMENTS

1) The Company is a member of an Insurance Holding Company System. The ultimate parent of the system is CIGNA Corporation, a Delaware Corporation. The CIGNA group of companies is a leading provide of insurance and related financial services throughout the United States and around the world. As of December 31, 2004, the ultimate parent reported the following financial data:

Total Assets	$81,059,000,000
Total Revenues 2004	$18,176,000,000
Net Operating Income 2004	$ 1,438,000,000
Shareholders' Equity	$ 5,203,000,000

2) The Company is only licensed domestically in the State of Delaware and internationally in Hong Kong. The Company is permitted to write both Life & Health and Property and Casualty business. This "dual charter" requires the filing of separate Annual Statements for each type of business. Subsequent to the date of the examination, the Company announced its intention to surrender the property & casualty license to write insurance. When the surrender is completed, CWWIC will write down an inter-company liability accrued to the property & casualty division, thereby increasing the Company's Capital and Surplus by $4,738,513.

3) Domestically, the Company's main book of business is Small Group Business consisting of about three (3) to nine (9) lives per policy, virtually all of which are "expatriates" (U.S. citizens working outside the U.S.). Most of CWWIC's larger policies, which were in effect during the prior examination period were non-renewed and/or outright transferred to Connecticut General Life Insurance Company (CG an affiliated company with operations in Wilmington and elsewhere). The Company decided to shift this business to CG due to regulatory issues surrounding dependants of insured expatriates who were obtaining care in states in which CWWIC was not licensed. When CG (which is licensed in all 50 states) took over this business the regulatory concerns in question were alleviated.

4) The CIGNA Group has created two (2) new insurance companies domiciled in Hong Kong. The two (2) companies in question are CIGNA Worldwide Life Insurance Company Limited and CIGNA Worldwide Insurance Company Limited. It is CIGNA's

intention to transfer all of CWWIC's Hong Kong business to the new insurance companies domiciled in Hong Kong. As of the date of the writing of this Report the Company had obtained the necessary approvals from the Delaware Insurance Department pertaining to the applicable Transfer and Assumption Agreements but had not yet physically transferred the business off of CWWIC’s books. The approval of the Transfer and Assumption agreements was obtained on July 7, 2005. Subsequent to the transfer of the applicable business CWWIC will no longer have any underwriting interests within Hong Kong. The new Hong Kong domiciled companies will be affiliates of CWWIC but will not be its subsidiaries.

5) The Company's total premiums and annuity considerations are as follows:

Direct	$150,113,925
Assumed	$ 14,559,196
Gross	$164,673,121
Ceded	$ 15,113,422
Net	$ 149,559,699

Assumed Premiums Written amounted to 8.8% of Gross Premiums Written, most of this applicable to Group Accident & Health Insurance. Subsequently, the Company ceded approximately 9.2% of its Gross Premiums Written with most of these cessions being applicable to Ordinary Life Insurance and Group Accident & Health Insurance. With regards to assumed reinsurance, it was noted that approximately 95.2% was assumed from Colonial Medical Insurance Company as part of a fronting arrangement that has been in effect for several years. The Company maintained three-(3) ceded reinsurance agreements with its affiliate, CIGNA Global Reinsurance Company (CGRC). Total Life and A and H premiums ceded to CGRC during 2004 amounted to $9,288,842 or 61.5% of total ceded premiums written. In addition, the amount of ceded reinsurance in force as of December 31, 2004 amounted to approximately $3.1 billion or 91.7% of total ceded in force at December 31, 2004.

6) During the review of the Company's subsidiary investments it was uncovered that the net equity reported in the independent audit report for PT Asuransi CIGNA (Indonesia) of which the Company holds an 80% interest, did not support the net equity reported by the Company on Schedule D- Part 2- Section 2. As a result, the examination reduced the Company's Common Stock and Capital and Surplus accounts by the difference in the amount of ($1,531,266).

CONCLUSION

As a result of this examination, the financial condition of CIGNA Worldwide Insurance Company (life & health operations) as of December 31, 2004 was determined to be as follows:

	Current Examination	December 31, 2000 Examination	Changes- Increases/ (Decreases)
Total Assets	$459,459,511	$237,667,497	$221,792,014
Total Liabilities	$412,631,891	$225,306,349	$187,325,542
Total Capital and Surplus	$46,827,620	$12,361,148	$34,466,472

In addition to the undersigned, Jim Blair, Jr., CFE, CPA (Examination Supervisor) participated in the examination along with actuarial consulting services provided by the actuarial firm of INS Consultants, Inc. and the third-party CPA assistance of Jefferson Wells International

Respectfully submitted,

Gregg S. Bealuk, CFE
Examiner In-Charge
State of Delaware
Northeastern Zone, NAIC